

# **FISCAL NOTE**

## **SB 1502 - HB 1486**

March 21, 1997

**SUMMARY OF BILL:** Increases the Hall Income Tax exemptions from \$1,250 to \$2,500 for a single taxpayer and from \$2,500 to \$5,000 for joint taxpayers. The bill would take effect on July 1, 1997. Most taxpayers liable for the Hall Income Tax pay on a calendar year basis. The proceeds from this tax are apportioned 5/8 to the state General Fund and 3/8 to local governments.

### **ESTIMATED FISCAL IMPACT:**

**Decrease State Revenues - Exceeds \$9,000,000 in the First Full Year**  
**Decrease Local Govt. Revenues - Exceeds \$5,000,000 in the First Full Year**

Estimate is based on a computer simulation which projects a 12% decrease in revenue due to the higher exemption levels and the projected FY97-98 Hall Income Tax collections of \$121.7 million.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director